

## Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-02 INR-07 L-02

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 SIL-01

LAB-04 EB-07 COME-00 DLOS-03 OFA-01 OES-03 OMB-01

TRSE-00 /075 W

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R 301400Z APR 75

FM AMEMBASSY LIMA

TO SECSTATE WASHDC 4941

LIMITED OFFICIAL USE LIMA 3520

EO 11652: N/A

TAGS: EGEN, EMIN, PE

SUBJECT: SERIES OF ATTACKS BY PRESS ON MARCONA

1. EARLIER THIS WEEK NEGATIVE ARTICLES ABOUT MARCONA BEGAN APPEARING IN LOCAL PRESS. TWO-PRONGED ATTACK INCLUDED CHARGES OF ALLEGED CONTAMINATION SUPPOSEDLY EXTENDED FOUR OR FIVE KILOMETERS OUT INTO OCEAN FROM BEACHES AND WAS KILLING OFF "ICHTHYOLOGICAL RICHES" OF AREA) AND ALLEGED ATTEMPTS TO CHEAT WORKERS. ONE CARTOON IN "LA PRENSA" SUPPLEMENT "LA JORNADA" SHOED MARCONA ABOUT TO BE SWAMPED BY SUCH PROBLEMS AS "TAX EVASION," "CHEATING WORKERS," "FRAUDULENT SALES," AND (INCREDIBLY) "CIA". COMPANION ARTICLE ALSO REPORTED THAT SHORTLY AFTER MARCONA-GOP AGREEMENT WAS SIGNED IN EARLY 1950'S, ENRIQUE EAST, WHO WAS ONE OF THE THEN-MINISTRY OF DEVELOPMENT LEGAL ADVISORS, WAS NAMED MANAGER OF MARCONA AND IS NOW PRESIDENT OF FIRM. ARTICLE DETAILS VARIOUS SUPPOSED FRAUDS AGAINST WORKERS BY MANAGEMENT AND CONCLUDES WITH CALL BY MARCONA LABOR COMMUNITY FOR RESIGNATION OF CURRENT MANAGERS AND FOR "NATIONALIZATION OF MARCONA WITHOUT COMPENSATION."

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2. LAST FRIDAY, APRIL 25, ADDITIONAL CHARGES OF

INTENTIONALLY REDUCING PRODUCTION AND INTENTIONAL DELAY  
IN LOADING CARGO SHIPS WERE ADDED. ON APRIL 26 "LA  
CRONICA" HEADLINED "MARCONA WITH ITS DAYS NUMBERED".  
AND REPORTED INTERVIEW WITH MINISTER OF MINES FERNANDEZ  
MALDONADO WHEREIN HE STATED EMPHATICALLY THAT MARCONA  
WOULD BE NATIONALIZED. SAME DAY PRESS REPORTED  
MARCONA'S OFFER TO GOP TO BUY OUT ITS INTERESTS.  
APRIL 27 STORY IN FAR-LEFT "EXPRESO" CLAIMED MARCONA WORKERS REJECTED  
"UNUSUAL" OFFER AND THAT LOSSES POSTED BY MARCONA IN  
RECENT YEARS WERE FRAUDULENT. STORY ASSERTED THAT  
IN RETURN FOR MARCONA'S ASSETS VALUED AT 4.5 BILLION  
SOLES, MARCONA WANTS 14 MILLION TONS OF PELLETS  
ALLEGEDLY VALUED AT NINE BILLION SOLES. ARTICEL ALSO  
SAID MARCONA'S OFFER TO CONTINUE MANAGING MINE FOR A  
PERIOD "CAST DOUBTS ON THE MANAGING ABILITY OF  
PERUVIAN STATE." ABOVE MENTIONED "FRAUDULENT LOSSES"  
WERE "DISCOVERED" IN AUDIT REPORTEDLY PREPARED BY LABOR  
COMMUNITY WITH ASSISTANCE FROM SINAMOS.

3. COMMENT: SMEAR CAMPAIGN DIRECTED AGAINST MARCONA  
IS VERY REMINISCENT OF LATE 1973 CAMPAIGN AGAINST CERRO  
DE PASCO WITH WHICH GOP PAVED WAY FOR NATIONALIZATION  
BY INITIATING CAMPAIGN IN PRESS CHARGING CERRO, WITH  
POLLUTING RIVERS, SUBSTANDARD WORKER HOUSING, ETC.  
SIGNIFICANT POINT IS THAT, WITH FEW EXCEPTIONS, PRESS  
CAMPAIGN HAS BEEN CONDUCTED BY GOP-OWNED "LA  
CRONICA" UNTIL SUNDAY, APRIL 27, WHEN RADICAL, PRO-  
COMMUNIST "EXPRESO" PICKED UP BALL. INTERESTING DETAIL  
IS THAT ALL DENUNCIATIONS OF MARCONA REPORTEDLY EMANATED  
FROM MINING COMMUNITY (WORKERS BUT NOT THE UNION) AT  
THE MINE. BY USING WORKERS AS FRONT, GOP HAS NEW  
NEGOTIATING TOOL BUT RETAINS ULTIMATE BARGAINING  
FLEXIBILITY. ACTIVE ROLE APPARENTLY PLAYED BY SINAMOS  
INDICATES THAT WORKERS' DEMANDS ARE HARDLY SPONTANEOUS.  
DEAN

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRESS COMMENTS, WATER POLLUTION, ALLEGATIONS, LABOR OBJECTIVES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 APR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975LIMA03520  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750151-0976  
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**Handling Restrictions:** n/a  
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**Office:** ACTION ARA  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
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**Review Date:** 11 SEP 2003  
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Margaret P. Grafeld  
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**TAGS:** EGEN, EMIN, SENV, PE  
**To:** STATE  
**Type:** TE  
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